



## Getting to Know Your Welfare-to-Work Customers

A major challenge confronting Welfare-to-Work (WtW) administrators is recruiting enough participants to fill programs and services. The first three issues of *Ideas That Work* will address this challenge. This issue, #1, focuses on understanding the customer—their motivations for participation and the obstacles that may prevent them from doing so. Issue #2 will discuss strategies for marketing to individuals directly and through community outreach, and Issue #3 will look at developing arrangements with partner agencies to identify and refer participants and document their eligibility.

### Listening to the Customer's Voice

The statutory definition of the WtW customer tells us much about this customer group: a significant portion will be long-term welfare recipients with at least two of three specified barriers to employability. However, you can increase your effectiveness by learning more about the characteristics and motivations of your local WtW customers.

This is consistent with the “quality revolution” that has taken hold across all levels of the public sector, as embodied in concepts like the customer-focused organization and

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continuous improvement. In his introduction to *Customers in Focus*, a *Simply Better!* training resource, Frank Wilson (ETA, Region VII) writes, “In the past, many of us in the employment and training community violated a central tenet of customer service—we assumed we ‘knew’ what our customers thought, what they wanted, and what they needed.” (See also box, page 3.) Understanding the customer is critical to attracting and retaining WtW customers, and to setting up programs that help customers transition to economic self-sufficiency. This issue offers insights from selected sites and studies on how and why to “listen to the voice” of your WtW customers.

### Gathering Facts about the Local Caseload

Statistical data about the local TANF caseload can provide insight regarding potential Welfare-to-Work customers' characteristics and barriers to participation. In general, it makes sense to gather only existing, readily available information, such as agency administrative data, rather than conduct a new in-depth study. However, there is a limit to what this information can tell you. It is impossible to predict participants' motivations and behavior based solely on their demographic characteristics.

Demographic analysis has been applied to Welfare-to-Work at both the state and local level. The **Tennessee Department of Human Services**<sup>1</sup> compiled a planning chart for each county that includes information such as the number of customers exempted or sanctioned under various criteria and the estimated numbers of customers having various barriers to employment (teen parenthood, substance abuse, domestic violence, etc.). The **Metropolitan Tulsa Chamber of Commerce**<sup>2</sup> conducted an in-depth labor market analysis when designing IndEx, its Welfare-to-Work program. The analysis included federal and state data sources and regional and local planning data. While

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both the Tennessee and Tulsa data were used to design services, you can use the same data for the purpose of designing customer recruitment strategies since it helps you target your message to your specific audience.

### Customers' Motivation

In their recruitment efforts program operators need to understand and highlight the advantages of work over welfare. This approach to marketing requires an understanding of the “product”—in this case, the value of work over welfare—and perceptions that prospective customers have of it.

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programs. In addition, researchers have found that customers are motivated by financial incentives and the desire to better their childrens' lives. Obstacles to participation must be considered as well.

### Does Work Pay?

As part of welfare reform, most states have changed the way that earnings are counted in determining a family's monthly welfare grant. Financial incentives allow recipients to keep more of their earnings from work while still receiving welfare. Many states now provide increased transitional benefits for families after they are no longer eligible for cash assistance. These changes are designed to “make work pay,” even at low-wage or part-time jobs.

However, some prospective participants may need to be convinced that work will pay before they feel motivated to enroll. Surveys indicate that many welfare recipients believe that they will be worse off financially if they accept a job.<sup>3</sup>

Therefore, Welfare-to-Work programs need to communicate clearly the new financial incentives. One way to overcome confusion and misperceptions may be to

### Hearing From Welfare-To-Work Customers In Boston

**I**n February 1998, the Boston Welfare-to-Work (WtW) Outreach Committee conducted focus groups to find out what messages and outreach strategies would most effectively encourage participation in WtW programs. A total of 55 welfare recipients (7–14 at a time) participated in the six focus groups, each organized by a different community-based program. Reflecting Boston's ethnic diversity, one group was conducted in Spanish and one in Vietnamese.

The focus groups discussed what “the message” should be, who should deliver it, and where and how to do so. In general, participants thought most recipients would respond to the opportunity to gain a better life for their children, although some would respond only to the fear of losing benefits. The groups highlighted that depression and low self-esteem greatly

impede many recipients' motivation to better themselves, particularly if they were raised on welfare in a “culture of passivity and dependency.” To overcome these barriers, participants encouraged the use of strong, positive messages as well as clear information about the welfare reform law and available resources for which welfare customers qualify.

Participants favored successful former long-term recipients as the most credible “messengers,” followed by their childrens' teachers and doctors, then grandparents and counselors. Participants also trusted religious leaders; even participants who do not worship regularly had family members who do. Nearly all participants rejected politicians, celebrities, and even caseworkers as messengers, except the Vietnamese group who chose caseworkers as the best messengers.<sup>8</sup>

create “account statements.” Patterned on bank statements, the account statements are issued periodically to show: how many months the customers have received TANF assistance and how much longer they can continue receiving it before reaching the time limit; how much time they have used up and have left on any earnings disregards or transitional benefits; the amount of EITC (Earned Income Tax Credits) they are entitled to receive; what their net income is currently and how it would change if they began working at a certain wage and for a certain number of hours per week, etc. **Milwaukee’s New Hope Project**<sup>4</sup> uses this type of monthly statement as a teaching tool.

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### ***Will Work Help My Children?***

Parents are motivated to find work because they believe this will better their children’s lives.

Public/Private Ventures’ Young Unwed Fathers Pilot Project reports that approximately half of the non-custodial fathers decided to participate for the benefit of their children.<sup>5</sup> And one participant in MDRC’s New Chance program for young mothers on welfare summarized the benefits for her children as follows:

...I am a good influence on my children, because, you know, I’m *not* at home sitting on my lazy butt. I am going out, going to school, doing something. So my kids can see that I am doing something with myself. So they know that life isn’t just sitting on your butt collecting welfare. So now they see their mother going to school to better herself, and I think that is a positive outlook for my children.<sup>6</sup>

### ***But What About...?***

Prospective Welfare-to-Work customers frequently face barriers that may prevent them from entering the program. Customer-focused outreach will need to address these concerns. Case managers in the **Minnesota Family Investment Program** have identified some common issues that arise, including: child care, transportation, clothing, physical health problems, depression and other mental health issues, limited cognitive functioning, domestic abuse, substance abuse, legal problems, lack of a telephone, and housing issues. Strategies for addressing them are reported in MDRC’s publication, *Work First*,<sup>7</sup> and will be addressed in future issues of *Ideas that Work*.

## **Using Focus Groups**

**F**ocus groups are a research approach involving a series of carefully planned discussions led by a trained moderator who guides participants through a predetermined set of topics. They generally involve 8–12 people who share common demographic characteristics or experiences, and the moderator draws on the social interaction of the group to learn how people think and feel about a particular issue. One advantage of focus groups is that researchers can follow up on interesting or surprising statements from participants. A disadvantage is that data from focus groups *cannot* be used to make quantitative generalizations such as “Most county TANF recipients are motivated by X or Y.” To gain an understanding of the steps involved, see the *Simply Better!* course materials for “Customers in Focus.”<sup>9</sup>

## **NOTES**

- <sup>1</sup> For more information call Wanda Moore at (615) 313-4866.
- <sup>2</sup> For more information call Wayne Rowley at (918) 560-0241.
- <sup>3</sup> *The JOBS Evaluation: Early Lessons from Seven Sites* (1994), U.S. Dept. of Health & Human Services, Office of the Assistant Secretary for Planning & Evaluation.
- <sup>4</sup> For more information, contact Julie Kerksick, Executive Director, at (414) 342-3338.
- <sup>5</sup> Photocopies of *Young Unwed Fathers Pilot Project: Initial Implementation Report* (1992) are available for \$2. Call Public/Private Ventures at (215) 557-4465.
- <sup>6</sup> *Lives of Promise, Lives of Pain: Young Mothers After New Chance* (1994) is available for \$18 from Manpower Demonstration Research Corp. at (212) 532-3200. The 1997 final report on New Chance is also available for \$18 from MDRC; the Executive Summary is on-line at <http://www.mdrc.org/Reports/New%20Chance%20ExSum.html>.
- <sup>7</sup> *Work First* (1997) is available on-line at <http://www.mdrc.org/Reports/workfirst.htm>. To order a bound copy (\$10), call MDRC at (212) 532-3200.
- <sup>8</sup> For a copy of the report, visit <http://wtw.doleta.gov/documents/reportspub/ideas>. For additional information, contact Dore Penn (focus groups) or Rebekah Lashman (WtW program) at (617) 423-3755.
- <sup>9</sup> Course materials are available at <http://esc.ttrc.doleta.gov/simplyb/focus.htm> or from your regional *Simply Better!* representative.

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## For More Information

Visit the Welfare-to-Work website at <http://wtw.doleta.gov> to view *Ideas That Work* and supporting documents online. The site also contains regional contact information, agency announcements, and selected publications.

The Welfare Information Network (WIN) is a comprehensive, constantly updated clearinghouse for information, policy analysis and technical assistance on welfare reform. Visit the WIN website at <http://www.welfareinfo.org> or contact Barry Van Lare, Director, at (202) 628-5790.

## About *Ideas That Work*

*Ideas that Work* is a series of issue briefs designed to provide practical and innovative technical assistance to the local practitioners who are implementing the U.S. Department of Labor's Welfare-to-Work grants. Anticipated topic areas include recruitment, job retention and labor force attachment, and serving families with multiple barriers to self-sufficiency.

The ideas presented in this series are intended to spark innovation and to encourage peer networking. Replicability may depend on individual state and local guidelines. Any activities carried out by a State or local welfare-to-Work program, using WtW grant funds, must also comply with the Federal WtW law and regulations.

*Ideas that Work* is offered through the U.S. Department of Labor's Office of Welfare-to-Work, and produced by Technical Assistance and Training Corporation (TATC). We want to hear your comments about this issue and your suggestions for specific topics or programs to include in future issues. To share your views, contact TATC via e-mail at [ITW@tadc.com](mailto:ITW@tadc.com), or call (202) 408-8282 (ask for *Ideas that Work* staff).

## Other Issues in this Series

Future topics:

- Strategies for marketing and community outreach
- Working effectively with agency partners to recruit participants
- Job retention and labor force attachment
- Serving families with multiple barriers to self-sufficiency

For current and previous issues:

- Read *Ideas that Work* on <http://wtw.doleta.gov/documents/reportspub/ideas>
- Printed copies are distributed through Regional offices within 4–6 weeks after publication on-line. Additional copies are available from your Regional WtW representative.